

# Yalla Reports Dual Growth in Revenue and Net Profit in 2024 Q2

UAE, August 19, 2024 /EINPresswire.com/ -- Yalla Group ([NYSE: YALA](#)) recently released its financial results for the second quarter of 2024. The report indicates that the company's Q2 revenue reached \$81.2 million, surpassing the upper bound of its previously guidance range. Net profit ascended to \$31.4million, marking a 10.9% year-over-year increase, underscoring the company's robust profitability and efficiency.

## Intro:

Yalla Group Limited, the largest Middle East and North Africa (MENA)-based online social networking and gaming company, has successfully created products such as Yalla Ludo□YallaChat□Yalla Parchis□Yalla Baloot, etc., which gains vast and valuable experience.

During this quarter, Yalla Ludo successfully hosted the Champion Offline Tournament in Abu Dhabi, further solidifying its influence in the Middle East region. In a notable branding initiative, the company orchestrated a spectacular light show on the Burj Khalifa, the world's tallest edifice in Dubai, commemorating the success of a series of offline events.

## Sustained Leadership

Retrospectively, Yalla's founding team leveraged their understanding of Middle Eastern lifestyle patterns, astutely identified the social networking needs of local users.

Eight years ago, the voice-based social platform - Yalla was launched, innovatively addressing the social demands of local users and rapidly accumulating a substantial loyal user base. The locally-focused strategy has enabled Yalla to construct a highly engaged user community.

Even in today's competitive landscape, Yalla Group continues to exhibit a steady growth: Revenues met \$81.2million in the second quarter of 2024, representing an increase of 2.5% from 2023 Q2; The impressive net income of \$31.4 million, representing a 10.9% year-over-year increase; Net margin was 38.6%, demonstrating the company's strong profitability.

Notably, 2024 Q2 coincided with Yalla's eighth anniversary. Users spontaneously organized celebratory activities, sharing cherished memories about Yalla in chat rooms. The official anniversary celebration not only garnered featured from the Apple App Store and Google Store but also set a record high average daily consumption of gold coin.

## Escalating Games services

In Yalla Group's business portfolio, chatting services and games services constitute the primary revenue sources. Games services revenue accounts for nearly one-third of total revenue, sustainably enhancing the company's financial performance.

Yalla's flagship casual game, Yalla Ludo, has demonstrated particularly strong performance. According to Data.ai, Yalla Ludo consistently ranked first in Middle East iOS game revenue rankings in June. Remarkably, as a game that has been operated for nearly six years, Yalla Ludo maintains peak performance and demonstrates an exceptional market appeal.

Over the past two years, Yalla Group's intensified activities in the mid-core games sector, which has garnered significant attention. For instance, the company announced its membership in the UK Interactive Entertainment Association (UKIE) at the beginning of the year. This quarter, Yalla Group was honored to receive the "Dubai Games Star" award at the MENA Games Industry Awards 2024, underscoring its growing influence in the global gaming industry.

In the earnings conference call, CEO Yang Tao highlighted that Yalla Group have focused on the exploration and development of mid-core games this year, where they can leverage the extensive expertise, talented workforce, and abundant resources they have accumulated in the casual gaming sector. Yalla's product teams are currently developing and refining a strong pipeline of self-developed games set to debut throughout 2025.

## Online-offline integration

On June 26th, Yalla Ludo orchestrated a spectacular light show on the Burj Khalifa, the world's tallest building in Dubai, celebrating the success of the Champion Offline Tournaments series.

As a mobile gaming application, Yalla Ludo extends beyond the realm of online platforms. Yalla Group has organized a series of offline tournaments across the MENA region since last year, attracting millions of enthusiastic participants. The most recent competition, held in Abu Dhabi on July 20th, garnered significant attention from spectators and media. The President of the UAE E-sports Federation attended in person and delivered a speech, extolling the innovative energy that Yalla Ludo has brought to the local gaming community.

To date, Yalla Ludo's offline tournament has expanded to three Middle Eastern cities: Baghdad, Riyadh, and Abu Dhabi, with plans for further expansion to additional countries. It has significantly enhanced Yalla Group's brand recognition within the local community, propelling the growth of its active user base.

Leveraging Yalla Ludo's innovative model, the company has attracted increasing attention from gaming and e-sports enthusiasts. This quarter, the company's average MAUs reached 39.0 million, representing a year-over-year increase of 14.1% from 34.2million in the same period last

year. The number of paying users climbed to 12.0 million, with an average revenue increase of 13.9% year-on-year per paying user, indicating a rising trend when it comes to the users' willingness to pay.

Overall, Yalla's robust performance in the second quarter of 2024 has validated the success of its market strategy. Looking ahead, Yalla Group will continue to delve deeper into MENA's market while increasing its investment in self-developed games. The company's unique operational strategy is expected to sustain the momentum of business expansion and solidifying its leading position in the MENA region.

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